
PRELIMINARY DRAFT
No. 3070

PREPARED BY
LEGISLATIVE SERVICES AGENCY
2010 GENERAL ASSEMBLY

DIGEST

Citations Affected: IC 36-8-8-15.

Synopsis: 1977 fund cost of living adjustment. Provides that an annual cost of living adjustment for monthly retirement benefits received by a member or survivor of the 1977 police officers' and firefighters' pension and disability fund may not be used to decrease the member's monthly benefit.

Effective: July 1, 2010.



A BILL FOR AN ACT to amend the Indiana Code concerning pensions.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 36-8-8-15 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 15. Each year the PERF
3 board shall determine if there has been an increase or decrease in the
4 consumer price index (United States city average) prepared by the
5 United States Department of Labor by comparing the arithmetic mean
6 of the consumer price index for January, February, and March of that
7 year with the arithmetic mean for the same three (3) months of the
8 preceding year. If there has been an increase, or a decrease, it shall be
9 stated as a percentage of the arithmetic mean for the preceding three
10 (3) month period. The percentage shall be rounded to the nearest
11 one-tenth of one percent (0.1%) and may not exceed three percent
12 (3%). **If there is a percentage increase of the arithmetic mean for**
13 **the preceding three (3) month period,** a fund member's or survivor's
14 monthly benefit, beginning with the July payment, shall be increased
15 or ~~decreased~~ by an amount equal to the June payment times the
16 percentage increase. ~~or decrease.~~ However, a fund member's or
17 survivor's monthly benefit may not be increased or ~~decreased~~ under this
18 section until July of the year following the year of the first monthly
19 benefit payment to the fund member or survivor. In computing a fund
20 member's benefit, the increase or ~~decrease~~ is based only on those years
21 for which the fund member was eligible for benefit payments under this
22 chapter. A monthly benefit may not be reduced ~~below the amount of~~
23 ~~the first monthly benefit received by the fund member or survivor.~~ **if**
24 **there is a percentage decrease of the arithmetic mean for the**
25 **preceding three (3) month period.**

